VZCZCXRO7865
PP RUEHBI RUEHCI RUEHDBU RUEHLH RUEHNEH RUEHPW
DE RUEHKA #0907 2601020
ZNY CCCCC ZZH
P 171020Z SEP 09
FM AMEMBASSY DHAKA
TO RUEHC/SECSTATE WASHDC PRIORITY 9462
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY

CONFIDENTIAL DHAKA 000907

SIPDIS

E.O. 12958: DECL: 09/17/2019
TAGS: ENRG ETRD PGOV PREL PTER BG

SUBJECT: BANGLADESH-INDIA RELATIONS WARMING

REF: DHAKA 881

Classified By: CDA a.i. Nicholas Dean. Reasons 1.4(b) and (d)

- 11. (C) In a September 8-10 visit to India, Foreign Minister Dipu Moni discussed a range of bilateral issues with Indian counterparts and agreed to improve security cooperation, develop transport links and facilitate trade. This signaled warming bilateral relations and sets the stage for further progress during Indian Prime Minister Manmohan Singh's expected visit to Bangladesh later this year. This trend can advance U.S. interests in strengthening regional cooperation, a point the Ambassador and SCA A/DAS Michael Owen underscored during recent meetings with Prime Minister Sheikh Hasina and other officials (reftel).
- 12. (C) In comments to the Ambassador on September 12, Foreign Minister Moni was effusive in describing the atmosphere during her September 8-10 visit to India. Moni was delighted that her visit included substantive discussions of a full range of issues with a broad spectrum of Indian officials, including the Prime Minister. The joint press statement from her visit announced commitments to strengthen security cooperation, improve transportation links, and reduce barriers to bilateral trade. Moni told the Ambassador that Prime Minister Singh accepted her invitation to visit Bangladesh later this year.
- ¶3. (C) In a September 17 meeting with the Ambassador, Indian High Commissioner to Bangladesh Pinak Ranjan Chakravarty echoed Moni's positive read-out of the visit and underscored India,s interest in improving connectivity and security cooperation with Bangladesh. Chakravarty commented that India was willing to "let the weightage (balance of concessions) be in Bangladesh's favor" in order to strengthen the bilateral relationship. He expressed optimism that the countries will follow through on the commitments made during Moni's visit, but cautioned that more work will need to be done to set the stage for Prime Minister Singh's visit.

SECURITY COOPERATION INCREASING

¶4. (U) Chakravarty cited the GOB-GOI joint press statement, in which both sides resolved to negotiate agreements for legal cooperation, transfer of sentenced persons and cooperation in fighting terrorism, organized crime and drug trafficking. He praised the GOB for improved security cooperation and said that India had tried to increase visits and training for Bangladeshi counterparts. The Ambassador noted that Bangladesh would host a regional conference on countering violent extremism September 27-29 and urged Chakravarty to ensure India's participation.

INDIA WILL INVEST IN ROADS, DREDGING AND POWER

15. (C) High Commissioner Chakravarty explained that India wants to improve transportation links through Bangladesh in order to transport large turbines to a gas-fired power project in Tripura, near Bangladesh's eastern border with

India. India agreed to invest in road and river links through Bangladesh, and it will later export 100 MW in power to help alleviate power shortages in Bangladesh. India also offered to facilitate Bangladesh's transportation and trade links to Nepal and Bhutan. Chakravarty underscored the India-Bangladesh shared interest in developing bilateral economic ties, but said they need to "break the transit bogey" to promote more trade. (NOTE: Bangladeshi opponents of improved transit links with India have long argued that granting transit rights to India would somehow mean a loss of Bangladeshi sovereignty. END NOTE.)

COMMENT

16. (C) Foreign Minister Moni's visit to New Delhi could set the stage for significant improvements in Bangladesh's bilateral relations with India. Both governments gained strong mandates from recent elections, and share a common interest in strengthening security and economic ties. Post will continue to encourage closer bilateral ties through direct U.S. support for the regional conference on countering violent extremism and backing other activities, like the upcoming track two Indo-Bangladesh dialogue and Prime Minister Singh's much-anticipated visit to Dhaka. DEAN